



Clean Energy[®]

North America's leader in clean transportation

NGV Technology Forum

Infrastructure Development

November 19, 2008

What is Pushing Fleets to Natural Gas?



- Record High Oil Prices in 2008
 - Significant impact to operating budgets
 - Looking for long-term solutions
- Energy Independence
 - Foreign oil dependency (70% imported)
 - World consumes > 2 barrels for each new barrel added
- Climate Change
 - Need to identify low carbon transportation fuels
- Air Pollution
 - Numerous regions out of attainment with federal and state air quality standards
 - Policies are being developed to address this challenge



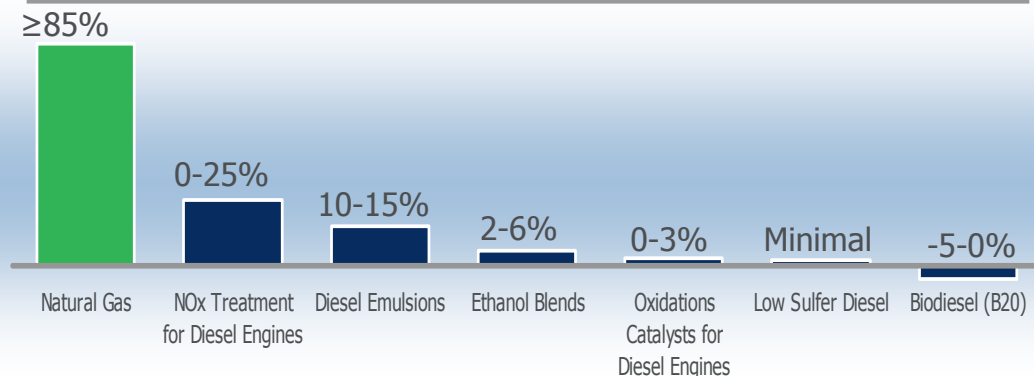
Cheaper, Cleaner and Domestic

- Economics
 - Fuel is significantly less expensive
 - **Over \$1.00 per gallon in savings**
 - Grants, local, State and Federal can cover the incremental vehicle cost
- Environment
 - 50% lower NO_x, 90% lower CO & 60% lower PM than diesel engines, **23% reduction in greenhouse gases (GHG)**
 - Reduces carbon footprint
- Domestically Produced
 - Over 97% of Natural Gas is produced in North America
 - 1:1 displacement of foreign oil

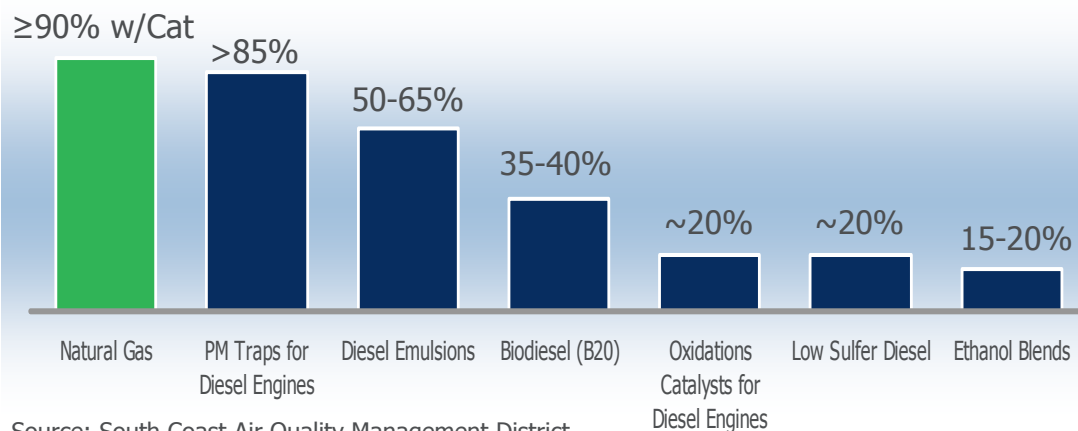


NGVs Produce Significantly Less Smog and Soot

N0x Reduction: Less Smog



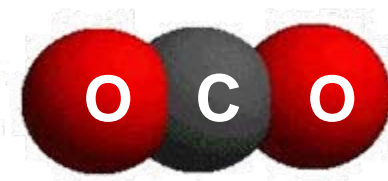
PM Reduction: Less Soot



Source: South Coast Air Quality Management District
2007 Air Quality Management Plan Summit Panel

Greenhouse Gases

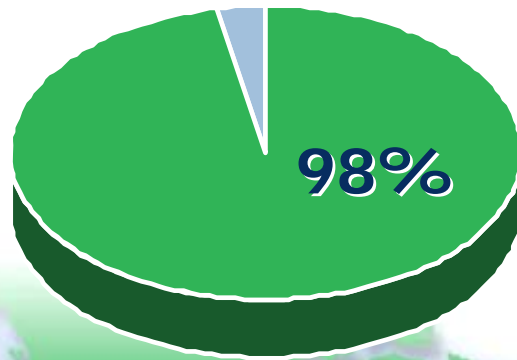
- 23% GHG reduction compared to diesel
- 30% GHG reduction compared to gasoline



Source: California Energy Commission "Well to Wheels Study"

Large, Domestically Available Supply of NG

Natural Gas



- Supplied From US and Canada
- Imported



- 120+ years or more of domestic reserves
- Less than 1% used for transportation in U.S.
 - 130,000 NGVs on road in U.S. today
 - 10 million Passenger Cars use <4% daily demand
- Bio-methane for transportation provides superior GHG emission reductions
- Immediate impact on foreign oil dependence
 - U.S. imports over 60% of its oil at a cost of hundreds of billions of dollars a year

Shale Gas is the E&P Industry's Focus

- Gas shales have experienced explosive growth in the past 10 years increasing from only 0.3 Tcf/year of production in 1998 to 1.1 Tcf/year in 2007.
- Since the late 1990s, the largest producer of shale gas has been the Barnett Shale in the Forth Worth Basin.
- Rapid increase in production rates in the Barnett, Fayetteville, Woodford, Haynesville and Marcellus Shale plays continues to spur companies to invest in pipeline infrastructure in order to provide additional takeaway capacity.
- Long-lived wells (50 years or more) are affecting the US natural gas reserve estimates.



CNG Fueling Business Model

- Private Stations
 - Transit, Refuse
 - 10+ under construction
- Public Access Stations
 - Airports & Supporting Infrastructure
 - 30+ under construction
- CE is actively pursuing new regions and infrastructure growth in existing markets through direct marketing and outreach
 - Investing OUR capital to build out the infrastructure



CNG Fueling Station Layout



LNG Fueling Business Model

- Three Stations in Port Complex
 - Carson Station (Operational)
 - Anaheim/I (Under Construction)
 - Pier S (In Permitting)
- Pursuing additional sites along trucking corridors



Texas LNG Plant

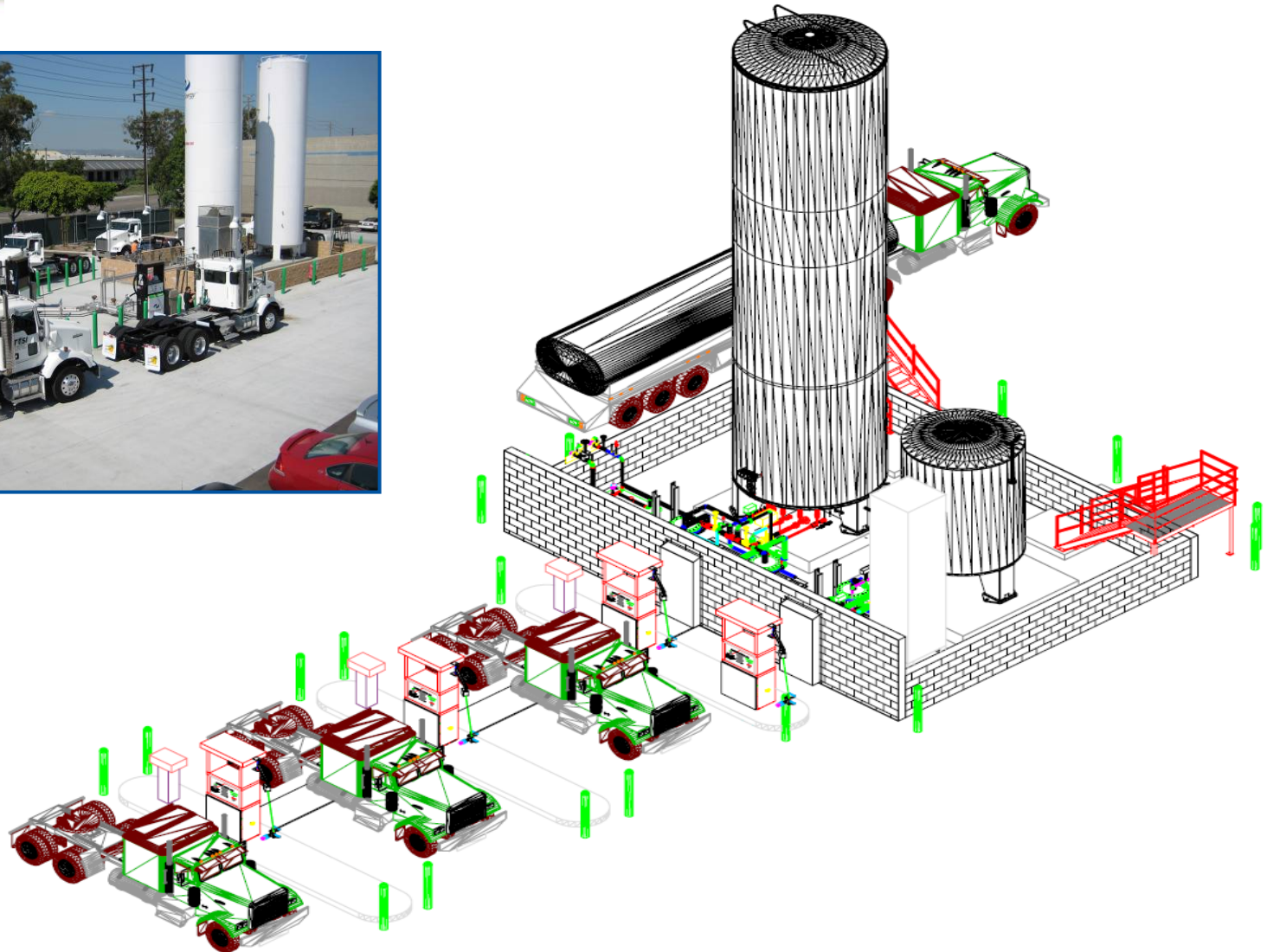


California LNG Plant

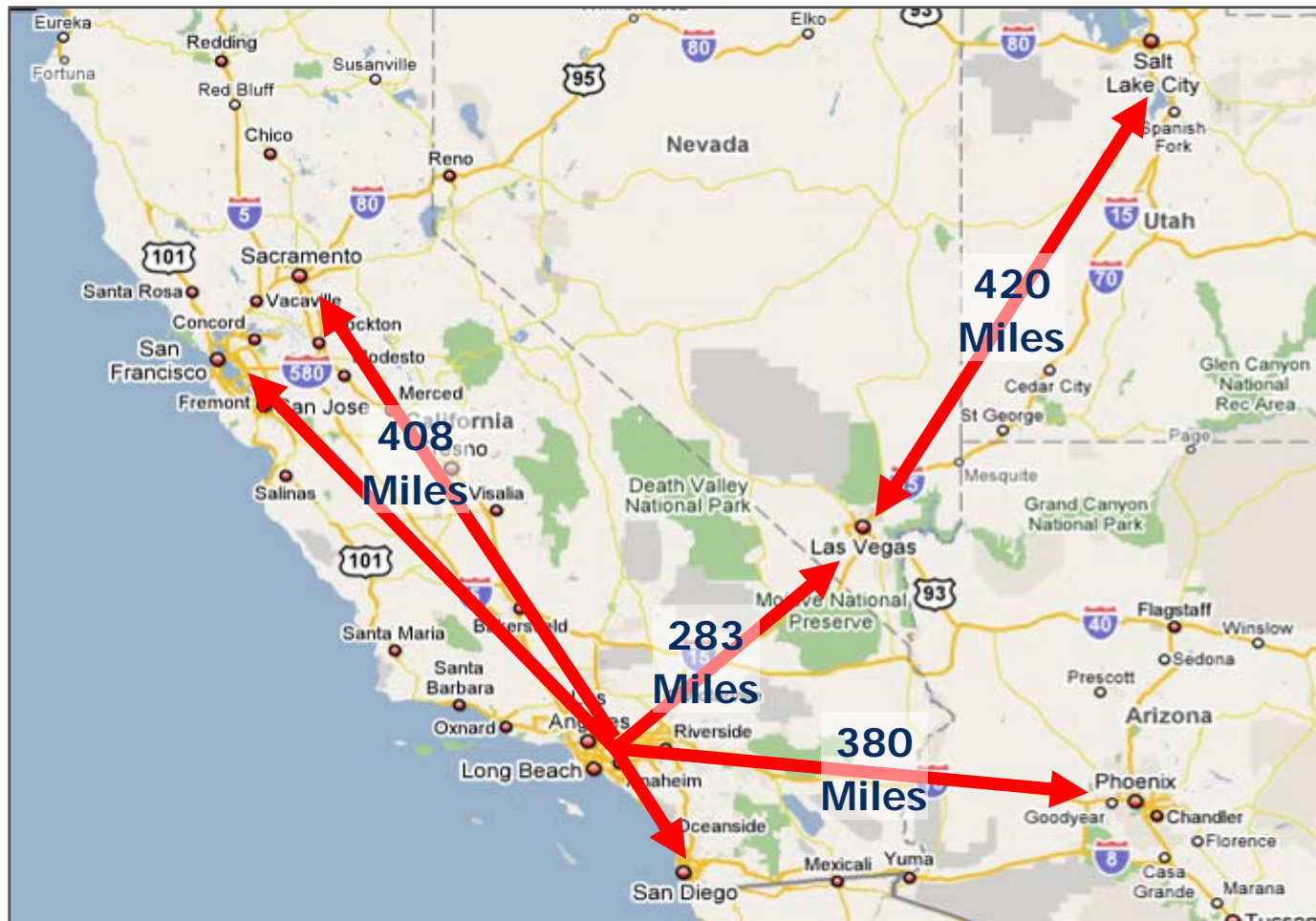


Anaheim/
I Street
LNG
Station

LNG Fueling Station Layout



Fueling Network Can Easily Span Regions



Company Update

- Largest provider of vehicular natural gas (CNG & LNG) in North America
 - Design, build & operate NG stations
 - Over 140 employees
 - Operations in 13 states from coast to coast
- Core Market Statistics
 - 20 Airports
 - 1,500+ Taxis and Shuttle Buses
 - 1,000+ Refuse Trucks
 - 3,500+ Transit Buses
 - 300+ Port Trucks
- Over 40 stations in development/construction phase



Experience in the Market

250+
Fleet
Customers

14,000+
Natural Gas
Vehicles

173
Natural Gas
Fueling Stations

Compressed Natural Gas (CNG)



Taxis



Government
Vehicles



Airport
Transit

Liquefied Natural Gas (LNG)



Regional
Trucking



Public
Transit



Refuse
Hauling

Thanks!

James N. Harger
Senior Vice President
(562) 493-2804
jharger@cleanenergyfuels.com

